



March 21, 2019

CONFIDENTIAL
MEMORANDUM

To: Members of the Board of Education

From: Michael J. Martirano, Ed.D.
Superintendent

Subject: UPDATE: County Allocation Proposal for FY 2020 Capital Budget

The purpose of this memorandum is to inform you of the County Executive's updated proposed allocation for the FY2020 Capital Budget as received on Wednesday, March 20, 2019. The Board Chair, HCPSS staff, and I met with the County Executive on Monday, March 18, 2019, to discuss our priorities for the Capital Budget. The total FY 2020 adjusted proposed budget allocation is \$56.6M. This includes \$48.5M (increase of \$1.5M over the March 14 proposed allocation) in local funding, a +/- adjustment of \$2M (savings from Hanover Hills ES), and an estimated \$6.1M State participation.

Brook Mamo, Deputy Budget Administrator, Howard County Budget Office, presented me with a revised assessment of the County's proposed budget allocation of \$48.5M for FY 2020. Mr. Mamo requested that we provide him with a funding breakdown today. Adjustments to the February 19, 2019, Board Requested FY 2020 Capital Budget include reductions for the following projects:

1. New HS #13: \$6.6M
2. Systemic Renovations and Modernizations: \$20.9M
3. Roofing Projects: \$503k
4. Playground Equipment: Eliminated
5. Relocatable Classrooms: \$200k
6. Site Acquisition and Construction Reserve: Eliminated
7. Technology: \$4.5M
8. Planning and Design: Eliminated
9. Barrier Free: Eliminated

The advancement of an additional \$1.5M and FY 2020 proposed local funding for the Board's priorities of Talbott Springs ES, New HS #13, and Hammonds HS are much appreciated. I would like to point out, for your consideration, that there are serious consequences to this level of funding and anticipated future funding needs, which include:

1. Out-year funding is unsustainable. Increases in future local funding allocations have been identified as one to four percent yearly. The level of State funding participation needed to sustain is unprecedented and State funding is not guaranteed.
2. The attached scenario only addresses the FY2020 request. The County's proposed FY 2020 funding maintains the cash flow for the Board's priorities in FY 2020 only. This has major ramifications for the 10-year Long Range Master Plan. Funding must be at a much higher level over multiple years to support the completion of construction. The same funding challenges will reappear in subsequent years, but the challenges will be amplified as the projects proceed.
3. Occupancy dates will be jeopardized for all projects if future funding cannot be secured at the higher level required. Increased relocatable costs in the out years may be needed due to inability to address capacity needs with permanent construction in a timely manner.
4. State funding shown in the attached scenario is approximate for illustrative purposes. Pending new State regulations may impact future year allocations.
5. Lack of Long-Range Systemic Renovation Project funding restricts the ability to address needs such as indoor environmental quality repairs, office and room reconfigurations, reclamation of community rooms, special education and regional program space needs, etc.
6. There will be a need for higher monies in Emergency Reserve under Long-Range Systemic Renovation Projects due to continual lack of funding for deferred maintenance in both operating and capital budgets.

If you have any questions, please contact Scott W. Washington, Director, Office of Capital Planning and Construction.

Attachments

Copy to: Executive Staff
Board of Education Office

FY 2020-2029 Long-Range Master Plan

Board of Education's Requested (Modified for B. Mamo Request)
Scenario #4 (County Executive Proposed per B. Mamo)

March 20, 2019

(In Thousands)

Capacity	Project	County Project	Occupancy	Approved Appropriations	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Total Approp. plus FY20-FY29 Request
540	Talbot Springs ES Replacement	E1043	Sept 2022	\$ 8,050	\$ 9,500	\$ 14,218	\$ 9,878	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,646
1,650	New HS #13	E1035	Sept 2023	6,732	9,000	34,460	34,480	34,460	19,564	-	-	-	-	-	138,696
200	Hammond HS Renovation/Addition	E1024	Sept 2023	4,000	12,500	27,955	28,075	28,156	14,494	-	-	-	-	-	115,180
600	New ES #43	E1039	Sept 2024	-	-	4,000	15,500	14,500	12,439	4,588	-	-	-	-	51,027
97	Dunloggin MS Renovation/Addition	E1049	Sept 2024	-	-	2,000	8,694	11,671	11,534	5,000	-	-	-	-	38,899
156	Ellicott Mills MS Addition	E1037	Sept 2023	-	-	-	1,000	6,415	1,000	-	-	-	-	-	8,415
-	Oakland Mills MS Renovation	E1036	Sept 2026	-	-	-	-	-	7,500	15,500	12,500	2,810	-	-	38,310
600	New ES #44	E1040	Sept 2026	-	-	-	-	4,000	15,550	14,500	12,439	6,524	-	-	53,013
250	Centennial HS Renovation/Addition	E1025	Sept 2028	-	-	-	-	-	11,333	16,367	27,278	26,187	26,186	13,093	120,444
TBD	New HS #14	E1052	Sept 2028	-	-	-	-	-	13,905	19,948	33,247	31,918	31,917	15,959	146,894
480	New ES #45	E1041	Sept 2030	-	-	-	-	-	-	-	-	4,000	11,500	12,500	28,000
															-
	Systemic Renovations/Modernizations	E1044		25,455	17,118	34,486	26,927	21,270	21,474	16,948	17,000	18,000	19,000	20,000	237,678
	Roofing Projects	E1046		12,500	4,497	1,000	5,000	1,000	1,000	5,000	5,000	5,000	5,000	5,000	49,997
															-
	Playground Equipment	E0990		2,930	-	250	250	250	250	500	500	500	500	500	6,430
															-
	Relocatable Classrooms	E1045		1,800	3,000	1,700	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,500
	Site Acquisition & Construction Reserve	E1047		-	-	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	18,000
	Technology	E1048		2,750	1,000	5,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	69,250
	School Parking Lot Expansions	E1012		4,200	-	-	-	-	-	600	600	600	600	600	7,200
	Planning and Design	E1038		700	-	400	300	300	300	300	300	300	300	300	3,500
	Barrier Free	E0989		5,603	-	200	200	200	200	200	200	200	200	200	7,403
	TOTALS			\$ 74,720	\$ 56,615	\$ 128,169	\$ 141,304	\$ 133,222	\$ 141,543	\$ 110,451	\$ 120,064	\$ 107,039	\$ 106,203	\$ 79,152	\$ 1,198,482

Ten-Year Long-Range Master Plan = \$1,123,762

County Proposed	\$ 50,500	includes the \$2M savings from HHES									
Diff	\$0										
		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
County	\$ 50,500	\$ 83,287	\$ 64,230	\$ 67,671	\$ 109,739	\$ 68,687	\$ 56,464	\$ 63,694	\$ 55,236	\$ 71,530	
State Estimate	\$ 6,115	\$ 44,882	\$ 77,074	\$ 65,551	\$ 31,804	\$ 41,764	\$ 63,600	\$ 43,345	\$ 50,967	\$ 7,622	
Total	\$ 56,615	\$ 128,169	\$ 141,304	\$ 133,222	\$ 141,543	\$ 110,451	\$ 120,064	\$ 107,039	\$ 106,203	\$ 79,152	
Check	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

State Estimate Detail

TSES	-	13,453	9,452	-	-	-	-	-	-	-
New HS #13	-	10,000	20,200	20,199	-	-	-	-	-	-
HAHS	-	21,117	21,116	21,116	-	-	-	-	-	-
New ES #43	-	-	9,355	9,355	9,355	-	-	-	-	-
DMS	-	-	3,889	10,000	7,505	-	-	-	-	-
EMMS	-	-	-	4,628	-	-	-	-	-	-
OMMS	-	-	-	-	-	10,535	10,535	-	-	-
New ES #44	-	-	-	-	9,719	9,719	9,719	-	-	-
CHS	-	-	-	-	-	7,000	19,748	19,748	19,748	-
New HS #14	-	-	-	-	-	10,000	23,598	23,597	23,597	-
New ES #45	-	-	-	-	-	-	-	-	7,622	7,622
Systemic	3,960	312	9,713	253	5,225	4,510	-	-	-	-
Roof	2,155	-	3,349	-	-	-	-	-	-	-
Total	\$ 6,115	\$ 44,882	\$ 77,074	\$ 65,551	\$ 31,804	\$ 41,764	\$ 63,600	\$ 43,345	\$ 50,967	\$ 7,622

FY 2020-2025 Long-Range Systemic Renovation Projects

Board of Education's Requested (Modified for B. Mamo Request)
Scenario #4 (County Executive Proposed per B. Mamo)

March 20, 2019

(In Thousands)

Project	FY 2020 Local Bonds	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Totals
Modification of FY 2019 HVAC Project Scopes (SP)	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000
Long Reach HS - Building Envelope (SP)	2,000	-	-	-	-	-	2,000
Applications and Research Lab Maintenance	-	1,500	1,500	1,500	1,500	1,000	7,000
Room Reconfigurations and Modernizations	-	1,000	-	-	-	-	1,000
Forest Ridge ES Office Reconfiguration	-	750	-	-	-	-	750
Guilford ES Exterior Windows/Doors	-	1,300	-	-	-	-	1,300
Ascend One Relocation/Renovations	-	3,000	-	-	-	-	3,000
West Friendship ES MBR/Well	-	3,000	3,000	-	-	-	6,000
Fulton ES HVAC Replacement (SP)	8,500	-	-	-	-	-	8,500
Cradlerock ES/Lake Elkhorn MS Boiler Replacement (SP)	692	-	-	-	-	-	692
Dump Trucks for Grounds Services (2)	-	360	-	-	-	-	360
Grounds/Fleet Infrastructure Capital Needs	-	1,665	736	645	544	543	4,133
Manor Woods ES HVAC Replacement (SP)	-	3,984	3,516	-	-	-	7,500
Elkridge Landing MS HVAC Replacement (SP)	-	5,185	4,515	-	-	-	9,700
Hammond MS Boiler Replacement (SP)	-	568	-	-	-	-	568
Forest Ridge ES Boiler Replacement (SP)	-	-	460	-	-	-	460
Bonnie Branch MS HVAC Replacement (SP)	-	-	-	5,065	4,435	-	9,500
Bonnie Branch MS Boiler Replacement (SP)	-	-	-	460	-	-	460
Hollifield Station ES HVAC Replacement (SP)	-	-	-	-	4,395	3,805	8,200
Administration Office	-	-	4,000	5,000	3,000	-	12,000
Kitchen Modernizations	-	600	300	300	300	300	1,800
Special Education/Regional Program Needs	-	600	300	300	300	300	1,800
Indoor Environmental Quality Repairs	900	4,000	2,600	2,000	1,000	1,000	11,500
School Security Measures (SP - SI Funding)	400	2,000	1,000	1,000	1,000	1,000	6,400
Emergency Reserve	626	4,974	5,000	5,000	5,000	9,000	29,600
TOTALS	\$ 17,118	\$ 34,486	\$ 26,927	\$ 21,270	\$ 21,474	\$ 16,948	\$ 138,223

(SP) - State Participated Project